

**CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE
CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA**

ANNUAL FINANCIAL STATEMENTS

**AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2012**

**WITH
INDEPENDENT AUDITOR'S REPORT**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and where appropriate at the office of the parish clerk of court.

Release Date OCT 30 2013



SILAS SIMMONS LLP

CERTIFIED PUBLIC ACCOUNTANTS *and* ADVISORS

**CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA**

**Annual Financial Statements
as of and for the Year Ended December 31, 2012
with Supplemental Information Schedules**

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**CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA**

**Annual Financial Statements
as of and for the Year Ended December 31, 2012
with Supplemental Information Schedules**

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INDEPENDENT AUDITOR'S REPORT

Members of the Board of Supervisors
Concordia Fire Protection District No. 2
Vidalia, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Concordia Fire Protection District No. 2 as of and for the year ended December 31, 2012, which collectively comprise the District's basic financial statements, as listed in the table of contents, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Concordia Fire Protection District No 2 as of December 31, 2012, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 6 and pages 21 through 22 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 18, 2013, on our consideration of the Concordia Fire Protection District No 2's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

This report is intended for the information of the Members of the Concordia Parish Police Jury, and the Legislative Auditor of the State of Louisiana and is not intended to be, and should not be, used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Natchez, Mississippi
September 18, 2013

SECTION I
REQUIRED SUPPLEMENTAL INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

**CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

INTRODUCTION

Our discussion and analysis of Concordia Fire Protection District No. 2 of Concordia Parish, Louisiana's (hereafter referred to as the District) financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2012.

The District's boundaries are all of Concordia Parish except inside of the corporate limits of any municipality in Concordia Parish and inside of the Monterey Fire Protection District No. 1. Concordia Parish is located in East Central Louisiana.

FINANCIAL HIGHLIGHTS

- Assets exceeded liabilities by \$1,466,348 and \$1,540,385, at December 31, 2012 and 2011, respectively
- Total expenditures exceeded revenues by \$74,037 at December 31, 2012, and total revenues exceeded expenditures by \$29,452 at December 31, 2011
- The District had net capital assets of \$1,121,052 and \$937,299, at December 31, 2012 and 2011, respectively
- The total payroll was \$181,422 and \$166,552, at December 31, 2012 and 2011, respectively

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year.

The government-wide financial statements outline functions of the District that are principally supported by property taxes and sales taxes. Fixed assets and related debt are also supported by taxes and intergovernmental revenues.

The government-wide financial statements can be found on pages 7-8 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives.

The basic governmental fund financial statements can be found on pages 9-12 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 13-20 of this report.

**CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of the net position at December 31, 2012 and 2011

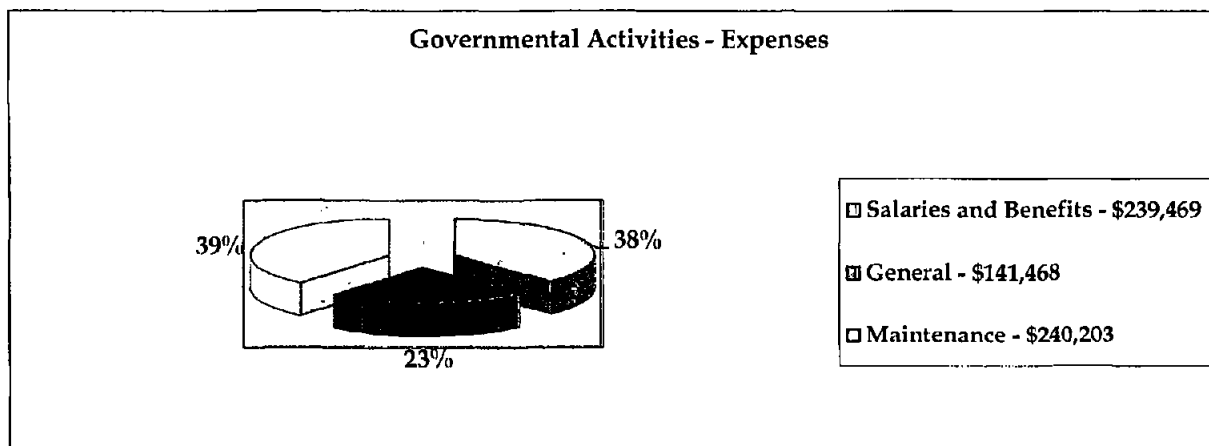
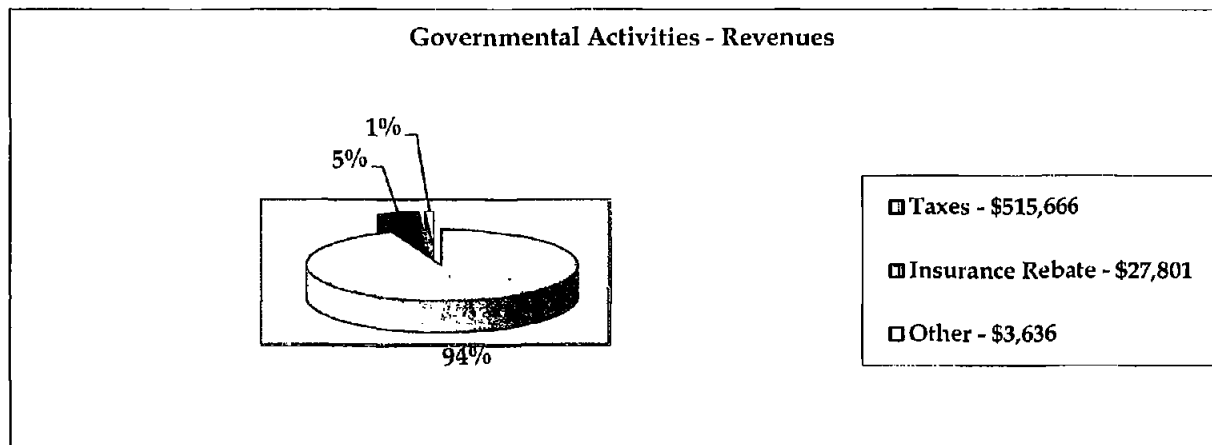
| | <u>2012</u> | <u>2011</u> |
|--|---------------------|---------------------|
| Current and other assets | \$ 610,155 | \$ 612,721 |
| Capital assets | <u>1,121,052</u> | <u>937,299</u> |
| Total assets | <u>\$ 1,731,207</u> | <u>\$ 1,550,020</u> |
| Current liabilities | \$ 139,871 | \$ 9,635 |
| Long-term liabilities | <u>124,988</u> | <u>-</u> |
| Total liabilities | <u>\$ 264,859</u> | <u>\$ 9,635</u> |
| Net position | | |
| Investment in capital assets (net of related debt) | \$ 880,350 | \$ 937,299 |
| Unrestricted | <u>585,998</u> | <u>603,086</u> |
| Total net position | <u>\$ 1,466,348</u> | <u>\$ 1,540,385</u> |

The following is a summary of the statement of activities for 2012 and 2011

| | <u>2012</u> | <u>2011</u> |
|-------------------------------------|---------------------|---------------------|
| Revenues | | |
| Taxes | \$ 515,666 | \$ 495,024 |
| State revenue sharing | - | 2,795 |
| Insurance rebate | 27,801 | 24,642 |
| Interest income | 297 | 783 |
| Miscellaneous | <u>3,339</u> | <u>8,799</u> |
| Total revenues | <u>\$ 547,103</u> | <u>\$ 532,043</u> |
| Expenses | | |
| Salaries and benefits | \$ 239,469 | \$ 209,401 |
| General administrative | 141,468 | 100,617 |
| Maintenance | 240,203 | 192,365 |
| Interest expense | <u>-</u> | <u>208</u> |
| Total expenses | <u>\$ 621,140</u> | <u>\$ 502,591</u> |
| (Decrease) Increase in net position | \$ (74,037) | \$ 29,452 |
| Net position, beginning of year | <u>1,540,385</u> | <u>1,510,933</u> |
| Net position, end of year | <u>\$ 1,466,348</u> | <u>\$ 1,540,385</u> |

CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012

The following are a graphical representation of information presented in the Statement of Activities for Governmental Activities in 2012:



GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget was amended once during the last year.

The actual general fund expenditures were \$4,137 more than budgeted amounts.

Revenues available for expenditure were \$41,646 more than budgeted amounts.

**CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2012**

CAPITAL ASSETS

At the end of the year, the District had \$1,121,052 invested in capital assets, including land, buildings, furniture, fire-fighting equipment, and vehicles. This year there were additions of \$351,047 in capital assets. More detailed information about the District's capital assets is presented in Note 4 of the financial statements.

The additions in 2012 included the following:

| | |
|--------------------------|-------------------|
| 2012 rescue truck | \$ 291,184 |
| 2012 Ford F350 truck | 34,518 |
| Polaris Ranger | 20,000 |
| Shed for brush equipment | <u>5,345</u> |
| Total | <u>\$ 351,047</u> |

DEBT

During 2012 the District borrowed \$245,702 to partially fund the new rescue truck.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Taking all factors into consideration, the District's general fund balance is expected to remain unchanged by the close of 2013.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to Nolan Cothren, Fire Chief, P O Box 1150, Vidalia, Louisiana 71373, (318) 336-4658.

SECTION II
BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
STATEMENT OF NET POSITION
DECEMBER 31, 2012**

ASSETS

| | |
|---------------------------|---------------------|
| Current assets | |
| Cash and cash equivalents | \$ 134,335 |
| Receivables, net | 470,820 |
| Capital assets, net | <u>1,126,052</u> |
| Total assets | <u>\$ 1,731,207</u> |

LIABILITIES

| | |
|--|-------------------|
| Current liabilities | |
| Accounts payable | \$ 19,157 |
| Notes payable - current portion | <u>120,714</u> |
| Total current liabilities | <u>\$ 139,871</u> |
| Long-term liabilities | |
| Notes payable - net of current portion | <u>\$ 124,988</u> |
| Total liabilities | <u>\$ 264,859</u> |

NET POSITION

| | |
|---|---------------------|
| Invested in capital assets, net of related debt | \$ 880,350 |
| Unrestricted | <u>585,998</u> |
| Total net position | <u>\$ 1,466,348</u> |

The accompanying notes are an integral part of this financial statement

**CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012**

GENERAL REVENUES

| | |
|----------------------------|-----------------------|
| Taxes | |
| Ad valorem taxes | \$ 515,666 |
| Insurance rebate | 27,801 |
| Interest income | 297 |
| Miscellaneous revenues | <u>3,339</u> |
| Total general revenues | <u>\$ 547,103</u> |

GENERAL EXPENSES

| | |
|---|-----------------------|
| Governmental activities - public safety | |
| Salaries and benefits | \$ 239,469 |
| General administrative | 141,468 |
| Maintenance | <u>240,203</u> |
| Total general expenses | <u>\$ 621,140</u> |

| | |
|---------------------------------|----------------------------|
| Change in net position | \$ (74,037) |
| Net position, beginning of year | <u>1,540,385</u> |
| Net position, end of year | <u><u>\$ 1,466,348</u></u> |

The accompanying notes are an integral part of this financial statement

SECTION III
FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

**CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2012**

ASSETS

Current assets

| | | |
|---------------------------|----|----------------|
| Cash and cash equivalents | \$ | 134,335 |
| Receivables, net | | <u>470,820</u> |

| | | |
|----------------------|----|----------------|
| Total current assets | \$ | <u>605,155</u> |
|----------------------|----|----------------|

LIABILITIES AND FUND BALANCES

Current liabilities

| | | |
|------------------|----|---------------|
| Accounts payable | \$ | <u>19,157</u> |
|------------------|----|---------------|

Fund balance

| | | |
|------------|----|----------------|
| Unassigned | \$ | <u>585,998</u> |
|------------|----|----------------|

| | | |
|--------------------|----|----------------|
| Total fund balance | \$ | <u>585,998</u> |
|--------------------|----|----------------|

| | | |
|------------------------------------|----|----------------|
| Total liabilities and fund balance | \$ | <u>605,155</u> |
|------------------------------------|----|----------------|

The accompanying notes are an integral part of this financial statement.

**CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2012**

| | | |
|---|----|---------|
| Fund balances, total governmental funds (Statement C) | \$ | 585,998 |
|---|----|---------|

Amounts reported for governmental activities in the statement of net position are different because.

Capital assets used by governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:

| | | | |
|-------------------------------|----|--------------------|-----------|
| Cost of capital assets | \$ | 3,115,077 | |
| Less accumulated depreciation | | <u>(1,989,025)</u> | 1,126,052 |

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

| | | |
|-----------------------|--|------------------|
| Long-term liabilities | | <u>(245,702)</u> |
|-----------------------|--|------------------|

| | | |
|---|----|------------------|
| Net position of governmental activities (Statement A) | \$ | <u>1,466,348</u> |
|---|----|------------------|

The accompanying notes are an integral part of this financial statement

**CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2012**

REVENUES

| | |
|------------------|-------------------|
| Taxes | |
| Ad valorem taxes | \$ 515,666 |
| Insurance rebate | 27,801 |
| Interest income | 297 |
| Other revenues | <u>3,339</u> |
| Total revenues | <u>\$ 547,103</u> |

EXPENDITURES

| | |
|------------------------|-------------------|
| Public safety | |
| Salaries and benefits | \$ 239,469 |
| General administrative | 141,468 |
| Maintenance | 77,909 |
| Capital outlay | <u>351,047</u> |
| Total expenditures | <u>\$ 809,893</u> |

| | |
|--------------------------------------|--------------|
| Excess of expenditures over revenues | \$ (262,790) |
|--------------------------------------|--------------|

| | |
|-------------------------|----------------|
| Other financing sources | |
| Funds borrowed | <u>245,702</u> |

| | |
|-----------------------------|-------------|
| Net change in fund balances | \$ (17,088) |
|-----------------------------|-------------|

| | |
|---------------------------------|----------------|
| Fund balance, beginning of year | <u>603,086</u> |
|---------------------------------|----------------|

| | |
|---------------------------|--------------------------|
| Fund balance, end of year | <u><u>\$ 585,998</u></u> |
|---------------------------|--------------------------|

The accompanying notes are an integral part of this financial statement

**CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2012**

| | | |
|---|----|----------|
| Net changes in fund balance – governmental fund (Statement E) | \$ | (17,088) |
|---|----|----------|

Amounts reported for governmental activity in the statement
is different because:

Governmental funds report capital outlays as expenditures
However, in the statement of activities, the cost of those assets
is allocated over their estimated useful lives and reported as
depreciation expense.

| | | | |
|---------------------------------|----|------------------|---------|
| Expenditures for capital assets | \$ | 351,047 | |
| Less current year depreciation | | <u>(162,294)</u> | 188,753 |

Repayment of debt principal is an expenditure in the governmental
funds, but the repayment reduces long-term liabilities in the statement
of net position. Proceeds from loans are a revenue in the governmental
funds, but increase long-term debt in the statement of net position

-

| | | |
|---------------------|--|------------------|
| Proceeds from loans | | <u>(245,702)</u> |
|---------------------|--|------------------|

| | | |
|--|----|-----------------|
| Change in net position per statement of activities (Statement B) | \$ | <u>(74,037)</u> |
|--|----|-----------------|

The accompanying notes are an integral part of this financial statement.

NOTES TO FINANCIAL STATEMENTS

**CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

INTRODUCTION

- 1 The Concordia Fire Protection District No. 2 was created October 9, 1989, by the Concordia Parish Police Jury by ordinance. The District operates in compliance with Part II, Title 40 1492-1502 of the Louisiana Revised Statutes.
- 2 The purpose of the District is to provide fire protection.
- 3 The District's boundaries are all of Concordia Parish except inside of the corporate limits of any municipality in Concordia Parish and inside of the Monterey Fire Protection District No. 1. Concordia Parish is located in East Central Louisiana.
- 4 A Board of Supervisors appointed by the Concordia Parish Police Jury governs the District. The board members are paid \$50 per meeting.
- 5 The District has one full-time employee and six part-time employees.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A Basis of Presentation

The accompanying basic financial statements of the Concordia Fire Protection District No. 2 have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statement - and Management's Discussion and Analysis - for State and Local Governments*, issued in June 1999.

B Reporting Entity

The District does not possess all the corporate powers necessary to make it a legally separate entity from the Concordia Parish Police Jury, which holds the District's corporate powers. For this reason, the District is a component unit of the Concordia Parish Police Jury, the financial reporting entity.

The accompanying financial statements present information only on the funds maintained by the District and do not present information on the Police Jury, the general government services provided by the governmental unit, or the other governmental units that comprise the financial reporting entity.

C Fund Accounting

The District uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

**CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C Fund Accounting (continued)

Governmental funds account for all of the District's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the District. The following is a description of the District's fund:

- 1 *General Fund* - the primary operating fund of the District and it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to District policy.

D Measurement Focus/Basis of Accounting

Fund Financial Statements

The amounts reflected in the Governmental Funds of Statements C and D are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the District's operations.

The amounts reflected in the Governmental Funds of Statements C and D use the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues available if they are collected within 60 days after the year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when the obligations are expected to be liquidated with expendable available financial resources.

Government-Wide Financial Statements

The page labeled Statement of Net Position (Statement A) and the page labeled Statement of Activities (Statement B) display information about the District as a whole. These statements include all of the financial activities of the District. Information contained in these statements reflect the economic resources measurement focus and the accrual basis of accounting.

E Deposits and Investments

The entity's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State law and the District's investment policy allow the entity to invest in collateralized certificates of deposit, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F Receivables and Payables

All trade and property tax receivables are shown net of allowance for uncollectibles.

Property taxes are levied on a calendar year basis and become due on January 1 of each year. The following is a summary of authorized and levied ad valorem taxes for 2012.

| | <u>Authorized Millage</u> | <u>Levied Millage</u> |
|-----------------------------|-------------------------------|---------------------------|
| Fire protection maintenance | 6.94 mills | 6.91 mills |

The following are the principal taxpayers and related property tax revenue for the District in 2012.

| <u>Taxpayer</u> | <u>Type of Business</u> | <u>Assessed Valuation</u> | <u>% of Total Assessed Valuation</u> | <u>Ad Valorem Tax Revenue for District</u> |
|-------------------------|-----------------------------|-------------------------------|--|--|
| Catalyst Old River | Hydro Power | \$ 39,107,920 | 51% | \$ 262,990 |
| Union Underware Co, Inc | Warehouse | 13,608,990 | 18% | 92,820 |
| | | <u>\$ 52,716,910</u> | <u>69%</u> | <u>\$ 355,810</u> |

G Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out method. Inventories of the governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

H Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable government-wide financial statements. Capital assets are capitalized at historical cost. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$1,000 for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

| <u>Description</u> | <u>Estimated Lives</u> |
|----------------------------|----------------------------|
| Buildings and improvements | 40 years |
| Furniture and fixtures | 5 years |
| Vehicles | 5 years |
| Equipment | 10-15 years |

**CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Compensated Absences

The District has the following policy relating to vacation and sick leave

Vacation. After one year, employee receives eighteen (18) calendar days vacation After ten (10) years, employee receives one extra day vacation for each year of service over ten (10) years, up to a maximum of 30 days

Sick leave Employee is required to have a doctor's excuse for absences in excess of three (3) days

J. Fund Equity

Beginning with fiscal year 2012, the Fire District implemented GASB Statement 54, "Fund Balance Reporting and Governmental Fund Type Definitions" This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used

- Nonspendable fund balance – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact,
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation,
- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority, to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint,
- Assigned fund balance – amounts a government intends to use for a specific purpose, intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority,
- Unassigned fund balance – amounts that are available for any purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes)

The District establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution This is typically done through adoption and amendment of the budget A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives) Assigned fund balance is established by the District through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes)

In the general fund, the District strives to maintain an unassigned fund balance to be used for unanticipated emergencies

**CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J Fund Equity (continued)

Government-Wide Financial Statements

The page labeled Statement of Net Position (Statement A) and the page labeled Statement of Activities (Statement B) display information about the District as a whole. These statements include all the financial activities of the District. Information contained in these statements reflect the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues – Program revenues included in the column labeled Statement of Activities (Statement B) are derived directly from users as a fee for services, program revenues reduce the cost of the function to be financed from the District's general revenues.

K Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

L Budget Practices

A proposed operating budget for the General Fund, prepared on the modified accrual basis of accounting, is approved by the District and adopted in accordance with the Local Government Budget Law. The proposed operating budget is legally adopted and amended, as necessary, by the District. All appropriations lapse at year-end.

Formal budget integration is employed as a management control device. Budget amounts included in the accompanying financial statements include the original budget amounts and all subsequent amendments, if any.

NOTE 2 – CASH AND CASH EQUIVALENTS

At December 31, 2012, the District has cash and cash equivalents (book balances) totaling \$134,335. The cash was held in interest-bearing demand deposits.

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2012, the District had \$142,482 in deposits (collected bank balances). These deposits are secured from risk by \$250,000 of federal deposit insurance.

CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 3 - RECEIVABLES

The receivables of \$470,820 at December 31, 2012, are as follows

| | |
|--------------------------------------|-------------------|
| Ad valorem taxes | \$ 470,820 |
| Less allowance for doubtful accounts | <u>-</u> |
| Total receivables | <u>\$ 470,820</u> |

NOTE 4 - CAPITAL ASSETS

Capital assets and depreciation activities as of and for the year ended December 31, 2012, are as follows

| | <u>Beginning Balance</u> | <u>Increase</u> | <u>Decrease</u> | <u>Ending Balance</u> |
|---|------------------------------|---------------------|-----------------|---------------------------|
| Governmental activities | | | | |
| Capital assets being depreciated | | | | |
| Buildings | \$ 507,350 | \$ 5,345 | \$ - | \$ 512,695 |
| Equipment | <u>2,256,680</u> | <u>345,702</u> | <u>-</u> | <u>2,602,382</u> |
| Total capital assets being depreciated | <u>\$ 2,764,030</u> | <u>\$ 351,047</u> | <u>\$ -</u> | <u>\$ 3,115,077</u> |
| Less accumulated depreciation for | | | | |
| Buildings | \$ (242,241) | \$ (13,670) | \$ - | \$ (255,911) |
| Equipment | <u>(1,584,490)</u> | <u>(148,624)</u> | <u>-</u> | <u>(1,733,114)</u> |
| Total accumulated depreciation | <u>\$ (1,826,731)</u> | <u>\$ (162,294)</u> | <u>\$ -</u> | <u>\$ (1,989,025)</u> |
| Total capital assets being depreciated, net | <u>\$ 937,299</u> | <u>\$ 188,753</u> | <u>\$ -</u> | <u>\$ 1,126,052</u> |

Depreciation expense of \$162,294 for the year ended December 31, 2012, was charged to the public safety functions

NOTE 5 - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable at December 31, 2012, are as follows

| | |
|------------------------------|------------------|
| Accounts | \$ 11,499 |
| Payroll taxes and retirement | <u>7,658</u> |
| Total | <u>\$ 19,157</u> |

CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE 6 - GENERAL LONG-TERM DEBT

The following is a summary of the long-term debt transactions for the year ended December 31, 2012

| | |
|------------------------------|-------------------|
| Payable at January 1, 2012 | \$ - |
| Additions | 245,702 |
| Deductions | <u>-</u> |
| Payable at December 31, 2012 | <u>\$ 245,702</u> |

Long-term debt as of December 31, 2012, was comprised of the following.

| | |
|--|-------------------|
| Capital lease due to Government Capital Corporation, issued March 15, 2012, in the amount of \$245,702 at an interest rate of 3.28%, due in two annual installments of \$128,755, including interest and principal Secured by rescue truck and pledge of revenues | <u>\$ 245,702</u> |
|--|-------------------|

The annual requirements to amortize note payable as of December 31, 2012, are as follows

| | <u>Principal</u> | <u>Interest</u> | <u>Total Payment</u> |
|--------|-------------------|------------------|--------------------------|
| 2013 | \$ 120,714 | \$ 8,041 | \$ 128,755 |
| 2014 | <u>124,988</u> | <u>3,767</u> | <u>128,755</u> |
| Totals | <u>\$ 245,702</u> | <u>\$ 11,808</u> | <u>\$ 257,510</u> |

NOTE 7 - PENSION PLAN

Plan Description The District contributes to the Firefighters' Retirement System. The plan is a cost-sharing, multiple-employer defined-benefit pension plan. The plan is administered by a board of trustees. The plan provides retirement benefits, disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Louisiana Revised Statutes 11:2551 et seq. grants the board of trustees the authority to establish and amend benefit provisions of the plan.

The retirement system issues publicly available financial reports that include financial statements and required supplementary information for the plan. The financial reports may be obtained from

Firefighters' Retirement System
P O Box 94095, Capital Station
Baton Rouge, Louisiana 70804-9095

Funding Policy Plan members are required to contribute 10% of their annual covered salary and the District is required to contribute at an actuarially determined rate. The District's rate is 23.5% of annual covered payroll as of December 31, 2012. The District's contribution to the plan for the years ending December 31, 2012 and 2011, was \$14,416 and \$13,750, respectively.

**CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012**

NOTE 8 - RISK MANAGEMENT

The District is exposed to certain risks of losses such as property damage, liability issues, and other potential losses that may occur. The District minimizes its losses by purchase of commercial insurance. The District's exposure over the amount of insurance is considered to be immaterial.

SECTION IV
REQUIRED SUPPLEMENTAL INFORMATION

CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CASH BASIS) - GENERAL FUND
YEAR ENDED DECEMBER 31, 2012

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance</u> |
|--|-------------------------|-------------------|---------------------|----------------------|
| | <u>Original</u> | <u>Final</u> | <u>Amounts</u> | <u>Favorable</u> |
| | | | <u>Budget Basis</u> | <u>(Unfavorable)</u> |
| <u>REVENUES</u> | | | | |
| Taxes | | | | |
| Ad valorem taxes | \$ 400,000 | \$ 445,300 | \$ 487,074 | \$ 41,774 |
| Intergovernmental | | | | |
| State revenue sharing | 2,500 | - | - | - |
| Insurance rebate | 20,000 | 3,239 | 27,801 | 24,562 |
| Interest income | 6,000 | 450 | 297 | (153) |
| Other revenues | 100 | 27,876 | 3,339 | (24,537) |
| Total revenues | <u>\$ 428,600</u> | <u>\$ 476,865</u> | <u>\$ 518,511</u> | <u>\$ 41,646</u> |
| <u>EXPENDITURES</u> | | | | |
| Public safety | | | | |
| Salaries and benefits | \$ 263,532 | \$ 261,696 | \$ 239,469 | \$ 22,227 |
| General administrative | 92,300 | 96,880 | 131,946 | (35,066) |
| Maintenance | 55,000 | 66,615 | 77,909 | (11,294) |
| Capital outlay | 167,000 | 125,341 | 105,345 | 19,996 |
| Total expenditures | <u>\$ 577,832</u> | <u>\$ 550,532</u> | <u>\$ 554,669</u> | <u>\$ (4,137)</u> |
| Excess of revenues over (under) expenditures | \$ (149,232) | \$ (73,667) | \$ (36,158) | \$ 37,509 |
| Fund balance, beginning of year | <u>170,493</u> | <u>170,493</u> | <u>170,493</u> | <u>-</u> |
| Fund balance, end of year | <u>\$ 21,261</u> | <u>\$ 96,826</u> | <u>\$ 134,335</u> | <u>\$ 37,509</u> |

See Independent Auditor's Report

**CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION
YEAR ENDED DECEMBER 31, 2012**

Budgetary Comparison Schedule

1 Basis of Presentation

The Budgetary Comparison Schedule presents the original legally adopted budget, the actual data on the cash basis, and variances between the final budget and the actual data

2 Budget/GAAP Reconciliation

The major differences between the budgetary basis and the GAAP basis are

- a Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP)
- b Expenditures are recorded when paid in cash (budgetary) as opposed to when susceptible to accrual (GAAP)

The following schedule reconciles net change in fund balances on the budgetary basis schedules to the GAAP basis financial statements for the General Fund

| | <u>General Fund</u> |
|---|-------------------------|
| Net change in fund balance – budget basis | \$ (36,158) |
| Increase (decrease) | |
| Net adjustments for revenue accruals | 28,592 |
| Net adjustments for expenditure accruals | <u>(9,522)</u> |
| Net change in fund balance – GAAP basis | <u>\$ (17,088)</u> |

SECTION V
OTHER SUPPLEMENTAL SCHEDULES

**CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012
COMPENSATION PAID TO BOARD MEMBERS**

| | | |
|----------------|----|--------------|
| Dempsey Hillen | \$ | 600 |
| Dorothy Dew | | 600 |
| Harvey Cowan | | 600 |
| Judy Pugh | | 600 |
| Virgil Barnes | | 600 |
| | | <u>600</u> |
| | \$ | <u>3,000</u> |

See Independent Auditor's Report

SECTION VI
REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS



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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
 REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
 AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
 WITH GOVERNMENT AUDITING STANDARDS**

Members of the Board of Commissioners
 Concordia Fire Protection District No. 2
 Vidalia, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Concordia Fire Protection District No. 2, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise Concordia Fire Protection District No. 2's basic financial statements, and have issued our report thereon dated September 18, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Concordia Fire Protection District No. 2's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Concordia Fire Protection District No. 2's internal control. Accordingly, we do not express an opinion on the effectiveness of Concordia Fire Protection District No. 2's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies in internal control over financial reporting. The finding is referenced 2012-1.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Concordia Fire Protection District No 2's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*. This finding is referenced 2012-2.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended for the information and use of management of the Concordia Fire Protection District No 2, the Concordia Parish Police Jury, and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink that reads "Silas Simmons, LLP". The signature is written in a cursive, flowing style.

Natchez, Mississippi
September 18, 2013

SECTION VII
SCHEDULE OF FINDINGS

CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2012

Section 1: Summary of Auditor's Report

- | | | |
|---|---|-------------|
| 1 | Type of auditor's report issued on the primary government financial statements | |
| | Governmental activities | Unqualified |
| 2 | Internal control over financial reporting | |
| | a Material weakness(es) identified? | No |
| | b Significant deficiency(ies) identified that are not considered to be material weaknesses? | Yes |
| 3 | Noncompliance material to the primary government financial statements? | Yes |

CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
SUMMARY OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2011

| <u>Reference No.</u> | <u>Fiscal Year Finding Initially Occurred</u> | <u>Description of Finding</u> | <u>Corrective Action Taken (Yes, No, Partially)</u> | <u>Planned Corrective Action/Partial Corrective Action Taken</u> |
|---|---|---|---|--|
| Section I – Internal Control and Compliance Not Material to the Financial Statements | | | | |
| 2011-1 | 2005 | We noted the District does not have adequate segregation of duties in its operations. One individual is responsible for practically every accounting function including record keeping, check writing, making deposits, etc | No | This finding continues in the current year as 2012-1 |
| Section II – Internal Control and Compliance Material to the Federal Awards | | | | |
| None | | | | |
| Section III – Management Letter | | | | |
| None | | | | |

CONCORDIA FIRE PROTECTION DISTRICT NO. 2
(A COMPONENT UNIT OF THE CONCORDIA PARISH POLICE JURY)
VIDALIA, LOUISIANA
STATUS OF CURRENT YEAR FINDINGS, RECOMMENDATIONS, AND CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED DECEMBER 31, 2012

| Reference No | Description of Finding | Corrective Action Planned | Name of Contact Person | Anticipated Completion Date |
|--|---|--|------------------------------|-----------------------------------|
| Section I – Internal Control and Compliance Not Material to the Financial Statements | | | | |
| 2012-1 | <p>We noted the District does not have adequate segregation of duties in its operation. One individual is responsible for practically every accounting function including record keeping, check writing, making deposits, etc.</p> <p><u>Recommendation</u> We recommend an attempt to segregate duties be made by the District.</p> | Management indicated that it has only one full-time employee and it would not be cost feasible to add additional persons to the accounting function. | Jan Armstrong | N/A |
| 2012-2 | <p>Louisiana Revised Statute 24 513 requires all audit engagements be completed and transmitted to the Louisiana Legislative Auditor within six months of the close of the entity's year end. Accordingly, this audit report for the year ended December 31, 2012, was due to the Legislative Auditor by June 30, 2013.</p> <p><u>Recommendation</u> We recommend the District comply with Revised Statute 24 513</p> | Management will correct this finding next year | Jan Armstrong | 6-30-2014 |

Section II – Internal Control and Compliance Material to Federal Awards:

None

Section III – Management Letter

None